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## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91229200	
Party	Defendant SJM Partners, Inc.	
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Date	09/20/2018	
Attachments	Response to Mtn to Suspend Proceedings-Corrected.pdf(11354 bytes)	

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Ganz,	Opposer,	Opposition No. 91229200 (parent) Opposition No. 91232397
v. SJM Partners, Inc.,		
20212 2 4201023, 22001,	Applicant.	

## APPLICANT'S RESPONSE TO OPPOSER'S MOTION TO SUSPEND PROCEEDINGS [CORRECTED]

Applicant, SJM Partners, Inc. ("Applicant"), submits this response to the motion of Opposer, Ganz ("Opposer" or "Ganz"), to suspend these consolidated opposition proceedings ("Opposition") pending the outcome of the *Ganz v. SM Kids LLC* civil action that Opposer recently filed in the United States District Court for the District of Delaware (the "Civil Action").

Ganz initiated the Opposition over two years ago. It could have brought this opposition and a federal civil action then, at the same time, and sought a stay of this proceeding then, before substantial time and efforts had been expended. Instead, after years of delay, many thousands of dollars spent by both sides, protracted settlement discussions, and just as the parties were preparing to complete discovery, Opposer seeks to stay this proceeding in favor of its late-filed Civil Action, in what can only be seen as blatant forum shopping.

To date in this proceeding, the parties have completed written discovery, production of documents and fully briefed cross-motions for summary judgment last year. The Board denied those motions, identifying at least two genuine disputes of material fact requiring trial.

TTABVUE No. 28 at 5-6. After the Board's decision, the parties attempted to settle this matter, but were not successful. Ganz, undoubtedly seeking to increase its leverage in an effort to force a more generous offer from SM Kids, has simply refashioned its Opposition claims for the Civil Action, giving it the chance to re-litigate the same dispositive motions before the federal court.

At the very least, Opposer has pursued the Civil Action in a clear attempt to incentivize Applicant to settle and to delay further Applicant's trademark applications. This sort of blatant forum shopping and gamesmanship should not be permitted.

The Civil Action represents a second bite at the apple for Opposer as the issues of validity of the trademark application, and infringement are in fact materially the same as the allegations raised in the Opposition. If Ganz's claims in the Opposition were to succeed, the principal effect would be to invalidate Applicant's trademark applications, eradicating the need for one of Ganz's claims in the Civil Action seeking the same relief. Because Ganz has now determined, over two years after it initiated this Opposition, that it wishes to adjudicate contract claims in addition to claims related to SM Kids' trademark application, SM Kids reserves its right to seek sanctions in the appropriate forum, in the form of its costs and expenses to pursue the same or substantially similar discovery or to incur other costs and expenses that will necessarily be duplicated by reason of Ganz's conduct.

DATED this 20<sup>th</sup> day of September, 2018.

Davis Wright Tremaine LLP Attorneys for SJM Partners, Inc.

By /Stuart R. Dunwoody/

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1

<sup>&</sup>lt;sup>1</sup> To the extent there are still some unresolved issues requiring action in federal court, the Board's findings will be entitled to issue preclusion on the key issues. *See B&B Hardware, Inc. v. Hargis Industries, Inc., et al.*, 135 S. Ct. 1293 (2015) (entitling Board's determination to preclusive effect in federal court if the marks and goods and services at issue considered by the Board are the same).

## **CERTIFICATE OF SERVICE**

I hereby certify a true and complete copy of the foregoing APPLICANT'S RESPONSE TO OPPOSER'S MOTION TO SUSPEND PROCEEDINGS [CORRECTED] has been served on the Attorney of Record for Opposer by email, pursuant to Trademark Rule 2.119:

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Date: September 20, 2018 /Stuart R. Dunwoody/
Stuart R. Dunwoody